# Town of Frederick Board of Trustees



Tony Carey, Mayor Pro Tem Amy Schiers, Trustee Sue Wedel, Trustee Rafer Burnham, Trustee Fred Skates, Trustee Jim Wollack, Trustee

#### AM 2010-108

# To Consider a Request to Allow the Rinn Valley Ranch Outlot D Gas Wells to be Drilled Further than Fifty Feet from the Existing Well

Agenda Date:	Octobe	er 26, 2010
Attachments:	a. b. c. d.	Request from EnCana Oil and Gas dated October 14, 2010 Applicant's well location depiction Vicinity Map Rinn Valley Ranch Filing 1 plat
Fiscal Note:		None noted or provided Fiscal note  Administrative Services Director
Submitted by:		Planning Director
Approved for Presentation:	<u>.</u>	Town Administrator
AV Use Anticipated		Projector <u>x</u> Laptop
Certification of Board App	roval:	Town Clerk Date

#### **Summary Statement:**

The Town of Frederick owns Outlot D of Rinn Valley Ranch where EnCana is proposing to drill six new wells. The Board of Trustees approved a waiver from the State Regulations allowing the wells to be drilled outside the designated drilling window. EnCana is now requesting a waiver from State Regulations to allow the wells to be drilled more than 50' from the existing well.

#### **Detail of Issue/Request:**

In May 2002, the final plat for Rinn Valley Ranch Filing 1 (see attached) was recorded with the County Clerk and Recorder. As a result of recording the plat, Outlot D, located at the northeast corner of the property was dedicated to the Town. The plat shows a future gas well within Outlot D.

In August, the Board of Trustees considered a request from Sheila Frazier, Land Negotiator with EnCana, to consider a waiver be granted from State Rule 318A.a(1). The rule requires that the wells be drilled within the designated drilling window (a 400' x 400' square with the center at the center of a quarter-quarter section). EnCana made the request of the Town because the Town owns Outlot D and EnCana is proposing to drill six new gas wells within Outlot D.

Upon preparing to submit the drilling application to the State, Ms. Frazier realized that a second waiver was necessary because the six new wells are further than 50' from the existing well. State Rule 318A.c(1) requires new wells to be within 50' from the existing well.

#### **Legal/Political Considerations:**

None Noted.

#### **Alternatives/Options:**

The Board of Trustees may choose from the following options or recommend another alternative:

- o Agree to sign the waiver request.
- o Agree to sign the waiver request with conditions.
- o Decline to sign the waiver request.

### Financial Considerations:

Not Applicable.

## **Staff Recommendation:**

Staff recommends agreeing to sign the waiver request.